

## **CITY ATTORNEY'S IMPARTIAL ANALYSIS OF**

### **CITY OF FREMONT MEASURE L UTILITY USERS TAX ORDINANCE**

Measure L seeks voter approval of a Utility Users Tax Ordinance. If passed, the Ordinance generally would impose a four percent (4%) utility user tax based on charges for electric and gas utilities. The tax rate for Large Users, as defined in the Ordinance, would be one percent (1%). The tax would automatically expire after six years, and could not be extended without an additional vote of the people.

The Ordinance generally provides for the tax to be collected by utility companies and paid as part of regular utility bills. For example, a household with a \$100.00 monthly electric bill would pay an additional 4%, or \$4.00, for a total of \$104.00. Direct purchasers of electricity and gas, and the largest consumers of these utilities, could opt to pay the tax directly to the City. The Ordinance authorizes the Fremont City Council to exempt or reduce the tax rate for particular classes of users, such as low income persons or certain classes of businesses. The Ordinance establishes an independent oversight committee to review and report on how the tax is implemented and utilized.

The Utility Users Tax would be a general tax, and as such must be approved by a simple majority of the voters voting in the election. The proceeds of the tax, as a general tax, will be deposited in the City's general fund and used for general governmental purposes, such as police and fire protection services, and street and park maintenance.

A "yes" vote is a vote to adopt a Utility Users Tax on the use of electricity and gas in the City of Fremont, at a rate not to exceed 4%, for a period of 6 years, for general fund purposes.

A "no" vote is a vote not to adopt a Utility Users Tax.

The above statement is an impartial analysis of Measure L. The definition of each utility service and a description of how the tax is calculated and collected are more particularly described in the Ordinance. If you desire a copy of the Ordinance, please contact the City Clerk's Office at 3300 Capitol Avenue, Bldg. A, Fremont, California 94537, phone number (510) 284-4060, email [cclerk@fremont.ca.us](mailto:cclerk@fremont.ca.us), and a copy will be sent at no cost to you. In addition, you can read the complete text of the Ordinance on the City's web site at <http://www.fremont.gov/CityHall/UtilityUsersTax/UUTOrdinance.htm>.